



# Iowa Department of Human Services

Terry E. Branstad  
Governor

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Lt. Governor

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Director

## INFORMATIONAL LETTER NO.1498

**DATE:** March 31, 2015

**TO:** All Iowa Medicaid Hospitals and Mental Hospitals

**FROM:** Iowa Department of Human Services, Iowa Medicaid Enterprise (IME)

**RE:** Behavioral Health and Substance Abuse Services Appeal Process

**EFFECTIVE:** Immediately

The Iowa Plan for Behavioral Health (Iowa Plan) is a statewide Medicaid managed care plan for mental health and substance abuse treatment services. Member enrollment with the Iowa Plan is mandatory for certain categories of Medicaid members and most Medicaid members are enrolled in the Iowa Plan. Iowa Medicaid currently contracts with Magellan of Iowa for the Iowa Plan.

Medicaid members enrolled with the Iowa Plan must access mental health and substance abuse treatment services through providers who are contracted with Magellan of Iowa. However, emergency services can be accessed at an appropriate emergency room.

It is important for providers to identify the nature of the service being rendered to coordinate with the proper payer:

- Medical services are the responsibility of the IME.
- Behavioral or substance abuse services are the responsibility of the Iowa Plan.
- Iowa Plan covered services are available in the [Iowa Plan for Behavioral Health Provider Handbook Supplement](#)<sup>1</sup>.

**\*IF THE NATURE OF THE SERVICE COULD BE RELATED TO MENTAL HEALTH OR SUBSTANCE ABUSE TREATMENT NOTIFY THE IOWA PLAN\***

### Appealing a Magellan of Iowa Adverse Decision:

Providers disagreeing with an adverse benefit determination from the Iowa Plan may appeal the decision by calling Magellan Health Services at 800-638-8820. The written request and accompanying records may be faxed to 888-656-2658 or mailed to the following address:

Magellan Health Services  
Attention Appeals  
P.O. Box 71129  
Des Moines, Iowa 50325

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<sup>1</sup> <https://www.magellanprovider.com/media/1617/iowasupp.pdf>

The appeal request must be filed within 30 days of Magellan's written Notice of Action. For more details please see the [Iowa Plan for Behavioral Health Provider Handbook Supplement](#)<sup>2</sup>, Section 5. Grievances and Appeals found on the [Magellan of Iowa](#)<sup>3</sup> website.

### **Inquiring about an IME Decision:**

Providers should not pursue a Magellan decision with the IME until after exhausting Magellan's appeal process. A provider who disagrees with the adjudication for services through both Magellan of Iowa and the IME may request further review and a written response from the IME by:

- Submitting a [Provider Inquiry](#)<sup>4</sup>, Form 470-3744.
- Include a copy of the claim form,
- All necessary documentation of services rendered and;
- A detailed account of the effort made to obtain payment through the established process.

The IME will collaborate with Magellan of Iowa to determine the responsible payer. This collaborative review includes instances such as services that are partially medical and partially behavioral in nature for the same service span. In the event of an adverse response to such an inquiry, providers may file a formal "State Fair Hearing" [appeal](#)<sup>5</sup> within 90 days of the decision.

In instances where the Magellan of Iowa enrolled provider did not follow the policies established by Magellan for Iowa Plan covered services, the IME is not responsible for the services rendered. Magellan of Iowa enrolled providers should not submit claims for such services to the IME. Below is an overview of the services covered by both the Iowa Plan and the IME:

### **IME Covered Services:**

When a Medicaid member is **not** enrolled with the Iowa Plan, the Medicaid fee-for-service program covers mental health and substance abuse treatment services in accordance with Medicaid (fee-for-service) program policies and procedures.

The following eligibility categories are excluded from Iowa Plan enrollment; therefore their services are billed directly to the IME:

- Members determined medically needy with cash spend down.
- Members residing at Glenwood or Woodward State Hospital School.
- Members with a limited Medicaid benefit package, such as Qualified Medicare Beneficiaries (QMB), Special Low-Income Medicare Beneficiaries (SLMB), presumptive eligibility and aliens.
- Members enrolled in the Program of All-inclusive Care for the Elderly (PACE)

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<sup>2</sup> <https://www.magellanprovider.com/getting-paid/hipaa.aspx>

<sup>3</sup> <http://www.magellanofiowa.com/>

<sup>4</sup> <http://dhs.iowa.gov/sites/default/files/470-3744.pdf>

<sup>5</sup> <http://dhs.iowa.gov/appeals/appeal-a-dhs-decision>

Payment for Behavioral health services to Magellan members *may be considered* by the IME in the following circumstances:

- The IME may pay limited services for members with a mental health or substance abuse diagnosis to providers not meeting the criteria to enroll with Magellan. Magellan enrollment criteria are available in the [Magellan Provider Handbook](#)<sup>6</sup>.
- Services considered medical in nature, rather than mental health or substance abuse and not covered by the Iowa Plan.

### **Iowa Plan Covered Services:**

Magellan of Iowa requires benefit certification or prior authorization for all services rendered. Providers rendering mental health or substance abuse services must contact Magellan of Iowa within 24 hours of admission or initiating a treatment plan. When rendering emergency services, providers must contact Magellan of Iowa as soon as possible, but within 10 days of initiation of services. Some important reminders for Magellan of Iowa providers:

- Required benefit certification or prior authorization can be obtained online or by phone. Services that do not require prior authorization are available [here](#).<sup>7</sup>
- Should emergent services be rendered before authorization has been obtained, contact Magellan of Iowa as soon as possible to certify admission to inpatient care or to initiate ambulatory services.

When it is anticipated that additional time is needed for members who are receiving services in an inpatient setting, or an intermediate ambulatory service authorized by Magellan, providers are to contact Magellan of Iowa at least one day before the end of the period of time covered by the current benefit certification. Providers can verify Iowa Plan eligibility by:

- Calling the Eligibility Verification System (ELVS) line at 1-800-338-7752 or 515-323-9639 (local)
- Calling Magellan at 1-800-638-8820
- Accessing the Web Portal

It is best practice to notify Magellan and obtain authorization before rendering services that could be mental health or substance abuse related treatment. Should the provider not receive approval at that time, the appeal to Magellan may ensue as identified above.

If you have any questions, please contact the IME Provider Services Unit at 1-800-338-7909, or locally in Des Moines at 515-256-4609 or by email at [imeproviderservices@dhs.state.ia.us](mailto:imeproviderservices@dhs.state.ia.us).

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<sup>6</sup> <http://magellanofoiowa.com/for-providers-ia/provider-handbook.aspx>

<sup>7</sup> [www.magellanprovider.com/media/1619/appb.pdf](http://www.magellanprovider.com/media/1619/appb.pdf)